

Russian mining giant pays \$2bn fine for Arctic spill

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Russian mining giant Norilsk Nickel announced on Wednesday it had

paid a nearly \$2 billion fine for a giant fuel spill in the Arctic last year.

Some 20,000 tons of diesel leaked into lakes and rivers near the northern city of Norilsk in May last year when a fuel reservoir collapsed at a power plant owned by Norilsk Nickel.

President Vladimir Putin declared a state of emergency and ordered the mining conglomerate, which is owned by one of Russia's richest men Vladimir Potanin, to pay for the spill.

Norilsk Nickel, also known as Nor Nickel, said in a statement on Wednesday that it had paid 146.2 billion rubles (\$1.9 billion) "for damage caused to the environment" by the May 29, 2020, leak.

It was the largest compensation paid for [environmental damage](#) in the country's history.

The company said last month it would not dispute a court ruling holding it responsible for the incident and ordering the mining group to pay the penalty.

Before the ruling the group said it would cover the cleanup costs but contested the sum of the fine, estimating the damages to be significantly lower.

Speaking at a government meeting on Wednesday, Putin praised the company for paying the fine and added the money should go towards the "improvement of the ecological situation" in Norilsk and the surrounding region.

"We can note with satisfaction that the company is fulfilling its obligations," he said. "And we hope it will stay that way."

Potinin, the company's main shareholder, said recently that Norilsk Nickel had "learnt an important lesson" from the catastrophe.

The [company](#) said it had since "completely revised its approach to environmental risk management", noting in particular that it wants to gradually replace [diesel fuel](#) with cleaner natural gas.

Norilsk Nickel also announced the closure of a copper and a [nickel](#) smelter on the Kola Peninsula in Russia's northwest, believed to be one of the most polluted places in the world because of sulfur dioxide emissions.

The diesel leak was one of the worst oil spills in Russia, which frequently experiences environmental disasters that are usually caused by aging infrastructure and negligence.

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